CHAPTER NO. 59

HOUSE BILL NO. 1951

By Representatives McMillan, Hargrove

Substituted for: Senate Bill No. 1573

By Senator Cohen

AN ACT to amend Tennessee Code Annotated, Section 7-52-601, relative to authorizing certain municipalities operating an electric plant to provide cable service within the county in which the municipality is located under certain circumstances.

WHEREAS, the General Assembly recognizes that rural areas of the State are less likely to have access to state of the art technologies; and

WHEREAS, the General Assembly has previously authorized municipal electric systems to provide cable, internet, and other services within their respective service areas, subject to certain requirements; and

WHEREAS, the General Assembly finds that granting additional authorization to smaller municipal electric systems that are located in lesser populated counties will enable these electric systems to further contribute to the economic and community development of these municipalities and counties and to improve the overall quality of life for these areas; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-52-601, is amended by adding the following new subsection:

(e)

- (1) Notwithstanding the foregoing, the comptroller of the treasury shall select, not later than August 1, 2003, a municipal electric system providing services in accordance with this part to provide, as a pilot project, the services permitted under this section beyond its service area but not beyond the boundaries of the county in which such municipal electric system is principally located provided that:
 - (A) The municipal electric system receives a resolution from the legislative body of the county regarding service in unincorporated areas of the county, or any other municipality within such county regarding service within such municipality, requesting the municipal electric system to provide such services to its residents; and
 - (B) The municipal electric system obtains the consent of each electric cooperative or other municipal electric system in whose territory the municipal electric system will provide such services.
- (2) The comptroller shall report to the general assembly, not later than January 31, 2006, with recommendations regarding whether the pilot project should be continued or expanded to other systems.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: April 14, 2003

HIMMY NAIFEH, SPEAKER HOUSE OF REPRESENTATIVES

> JOHN S. WILDER SPEAKER OF THE SENATE

APPROVED this 23rd day of April 2003

PHIL BREDESIN, GOVERNOR